

FISCAL NOTE

HB 3723 – SB 3948

February 11, 2008

SUMMARY OF BILL: Extends the deadline for municipalities to hire a certified municipal finance officer (CMFO) until January 1, 2011, January 1, 2012, or January 1, 2013, depending on revenue derived from the municipality. This is an extension of one year from the dates provided in current law.

ESTIMATED FISCAL IMPACT:

**Local Expenditures – Cost Avoidance –
\$18,537,000/FY08-09, FY09-10, FY10-11**

Assumptions:

- Two hundred and eighty-eight municipalities will be required to employ a CMFO, at an average salary of \$50,000 plus benefits of 23% for a total of \$61,500 (288 x \$61,500 = \$17,712,000).
- Fifty-five municipalities that have annual gross revenue under \$300,000 may use a contract option instead of employing a CMFO, at an average cost of \$15,000 (55 x \$15,000 = \$825,000).
- At least four municipalities already comply with this requirement and will not incur additional cost.
- Local government expenditures will have a cost avoidance of \$18,537,000 (\$17,712,000 + \$825,000 = \$18,537,000) for FY08-09, FY09-10, and FY10-11.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

/kmc